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Prescription for Trouble

When the Bush administration pushed its Medicare drug bill through a reluctant Congress, even supporters knew there were flaws that would have to be corrected. The fact that no serious fixes have been made, or even proposed by the White House, suggests that the whole impetus for the idea had more to do with presidential politics than with health care policy. Now, as the defects loom wider than ever, even the program's political appeal may be eroding.

Government estimates published in The Times last week indicate that one of the biggest problems with the program — the way it could encourage companies to drop drug benefits for their retirees in favor of the inferior federal program — may be worse than originally thought. According to the new figures, companies may drop or reduce prescription drug coverage for 3.8 million retirees when the new drug benefit takes effect in 2006. That could rise to 4.1 million by 2010, a blow for more than one-third of retirees who are insured by their former employers.

The Medicare agency, which is writing rules for the new law, quickly said that the numbers in The Times's report were outdated and that "great pains" were being taken to protect benefits. That doesn't carry much credibility coming from an agency that has systematically withheld official information about the impending Medicare reform from Congress and the public. To reassure restive retirees, the agency must produce detailed regulations that allow Congress, insurance experts and corporations to assess the law's impact before it goes into effect. For that to happen, the rules must be issued comfortably in advance of the law's start date of Jan. 1, 2006.

This page endorsed the overall drug benefit plan in the hopes that it would be a first step toward a larger, better program. But if it turns out that the new law is likely to gut the existing benefits of millions of retirees, it could trigger a political backlash that might threaten much-needed reform. Medicare officials would do well to review the events of 1989, when a mob of generally affluent old people, feeling cheated by a huge Medicare reform law from 1988, accosted the chairman of the House tax-writing committee as he sought cover in his car. Shortly thereafter, the law was repealed.

A similar demise for the current prescription drug law would be a shame, especially for the 25 percent of Medicare recipients who lack drug coverage. The best way to avoid that is for the agencies that were responsible for misleading everyone about the details of this legislation to fix it before it takes effect.